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Tom Vujovich - Chair called the meeting to order at 1:27 p.m. The following members were in attendance: Rich Stenner, George VanHorn.

Staff - Ed Curtin.

Counsel – Terry Coriden

Guests – Paul Minnis - The Republic representative. Dave Hayward, Tom Heller, Jim Clouse, Stu Johnson

#### **Minutes**

Minutes for review

- 12/3/07 – Motion made by Van Horn and seconded by Stenner - approval of minutes as submitted.

### Tax Abatement Request by Toyota Industrial Equipment Manufacturing

Tom - Copy of application provided, submitted to Community Development Department and Mayor.

Jim Clouse – Community Development – First and second paragraph tells most of the story. This will add almost 20,000 sq/feet for installation of new manufacturing equipment. Plan includes \$1.35 million in real property improvements and \$1.9 million in new manufacturing equipment. Add 10 jobs and it is within the existing TIF area at Woodside. It is policy that these come to Redevelopment Commission before they go to City Council. They are complying in all of their previous tax abatements. And have had 10 previous tax abatements.

Tom – Ed, any impact on the commission's ability to repay bonded indebtedness?

Ed – No, because this is something that was not planned in the information that Crowe Chizek provided but ultimately it will help us pay it back.

Motion to forward to Council with our recommendation as we do not believe it will negatively impact our ability to repay indebtedness, by Stenner  $2^{nd}$  Van Horn – APPROVED.

### **Proposal for Architects**

Ed – Information in packet, following the information from Toyota. CSO Architects – a team of consultants: CSO, Koetter-Kim out of Boston would be the primary architects and if you look on the second page, scope of services and design team, they begin to identify a number of other consultants that would be needed for this project. FRP Engineers would be Structural Engineering, mechanical and electrical, site engineering, code issues, accessibility, playground, etc. They have done a pretty good job of pulling a lot of information together. There are a couple of changes, I talked with Steve Risting this morning, under Schedule 3.6 and 3.7, we would actually combine those two items into one and have one project there as opposed two. On page 4, Area 4 for compensation, a couple of items that I talked with Steve about. One under 4.1, the GF(GO) technical testing although we have a complete proposal from Patriot to do the entire site, which includes some of the private development, our piece of that would only be \$3,950 and that is only to do the subsurface investigation to help the structural engineer figure out how to design their footings for that particular structure. Another piece of testing that we are doing on the garage that would end up coming later would be the materials testing for concrete, steel and those kinds of things but would likely fall under a different contractor, that work. The next piece which we may want to discuss and that is 4.4, that is the lead documentation for the Green Building Council certification that is a \$50,000 item. What it does is puts us in a position, a selling point for the building, that it is a LEED certified building which is a nationally recognized and probably internationally recognized system of really green and environmentally conscious construction and processes. Usually

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you end up reaping the benefit of going through that by the longer cost savings that you end up getting and it provides a "feather in our cap" if you will for not only the community but around the region and nationally for helping set that standard. We know there are at least two other projects that are on the same path in terms of LEED certification so we need to figure out whether we want to move forward with that piece. The second one which is 4.5 would actually be deleted out of this piece of it and the last item that I would talk about a little bit is 4.3, the playground design consultant. I probably would not want to include that piece of it as part of the proposal today simply because I think we need to get them some additional information in order for them to give us a much better proposal than a straight 10% for what we think the cost of the playground is going to be. We want to have some additional conversations with that particular consultant to see how we can tighten that fee down.

Rich - Should there be a motion to authorize the President of the Commission and Executive Director to enter into the contract with CSO Architects given that funding is in place? I so move.

Tom – Motion to enter into the contract with the above conditions, that included the exclusions that had been listed? Deletions of 4.4, 4.5 and the playground design consultant, 4.3 and the combination of 3.6 and 3.7. Rich – Yes

George - Should part of that motion include the assumption that The Commons Board has authorized us to act on their behalf regarding this?

Ed – They took action on that at their last meeting.

George - I'm hearing Terry say that we should do something.

Terry – George, what you are saying is that this is both conditional upon the \$1.7 million being available and on the condition that we enter into an agreement with The Commons Board to fulfill the obligations of this CSO agreement.

George – I do not want a nice set of 1.7 million dollar plans to wave around. As stated by Terry, that is an amendment I am suggesting to the motion. Rich – amenable.

Motion as amended by Stenner, second by VanHorn – APPROVED.

#### Christopher Burke Proposal for Parking Study

Ed – This relates with the garage coming on-line in a very short period of time. We really have three types of parking that we have to deal with as a city. One is going to be the parking garage, two is going to be the surface lots that the City has and the third one is the on-street parking that we have. It seemed to make sense that as we move forward we really need to look at that one to make sure that we have everything coordinated between those three pieces not only from how we manage but what kind of enforcement there is of those three pieces. In conjunction to that, we are looking at how we are dealing with some of the traffic pattern downtown and how it relates to the businesses and we want to make sure that we are doing the right thing there as well. Dave from Christopher Burke, and he is here today to answer questions, a proposal for us that lays all that out. Terry has looked at this, at least the first draft, as did Steve Ruble. We asked for some changes to be made and I know that Terry has not had a chance to look at this since the changes have been made. The one other piece which I think is on the page 4 of that proposal, they have estimated what the cost would be. We are going to ask that that be a not to exceed figure for the project and that is \$79,000. What I would ask is that the Commission approve this for Tom's being able to execute it contingent upon Terry reviewing it one more time and Steve Ruble reviewing it one more time and we identify the source of funds to pay for this contract.

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George - I make a motion to approve the contract pending the identification and verification of funds, review by Terry and Steve Ruble review.

Second by Stenner - APPROVED

#### Bills/Credit Card Payments

Ed – a number of bills, two that I would like to point out, I would like to get some direction from the Commission on how you want to deal with this in the future. Because of when we received the bills from the Bank of New York to pay the bonds for the garage, they ended up being due before we could meet again. To avoid a late payment or problem with paying those, we went ahead and took action to get those paid knowing that we would bring that information to the Commission today. The other one was a credit card payment for Irwin Union, again when we got that bill and when we were going to meet would not coincide when we could get the payment made to avoid a late payment. What I really need to know from the Commission is how you want to deal with that in the future and for your information I did provide a copy as a handout today. Policy and procedure regarding payments and claims. There are a couple of ones, the late fees that we have to deal with and really by state law we are prohibited from paying those things so we try and take the action necessary to avoid those things happening but you all need to tell me how you want to deal with that in the future. That aside, we have identified what the claims are from Bank of New York, Wilhelm, Irwin Union, K&M Classic, Koetter-Kim, O'Mara, Patriot, Sharpnack-Bigley-Stroh-Washburn, LLP, Winston & Terrell.

Tom – are all the bills submitted for the amounts and the services provided was per agreements?

Ed – All claims are consistent with what we anticipated and the work was performed as we agreed to.

Tom – Late fee issue, at least to the extent that late fees were incurred on the Irwin Union Bank credit card, in part that was a result of Mr. Souza's excusing himself at the last meeting and voting on that one particular item since he is an employment of Irwin Management and that left us with a \$17 late charge.

Ed – I personally paid that.

Ed – I gave a new agenda, that number for Wilhelm is now \$837,840.60 and under G for O'Mara that is \$193,752.38. I knew that that was coming, I did not have the numbers until this morning.

Tom – Ed, what is your recommendation on the late fee issue?

Ed – If there are regular bills that we know are going to be coming that we would pay anyway, we know that we are going to pay the bond payment, if there is a credit card charge we know we will go ahead and pay that, it would make sense to me that we go ahead and process it so we avoid any of those late charges but we do just like we are doing here, we always bring that back to the Commission to say here is what we have paid because ultimately the Commission ultimately needs to approve those claims but it can be a competing policy. The Commission needs to approve them but we also need to avoid the late charges. If you can say we know that there are ongoing bills that we will pay when we need to and we will always bring that information back to the Commission I think that is probably the easiest thing to do.

Tom – Terry, any thoughts.

Terry – Bank of New York, I think that is a different issue than the credit card. I think the Bank of New York, I think upon approving the bonds you approve your obligation to make payments consistent with the payment of bonds etc. I think you could pay that when it is submitted regardless of whether or not you have approved it at a meeting and I would suggest that you go ahead and subsequently deal with it,

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either approve it or disapprove it and act accordingly but because there is a bond fee you have no choice, you have already obligated yourself with the contract. All you are saying with that is that this is consistent with the contract you had. On the Irwin Union, I think your policy would be a good one if you said that consistent with what Ed was saying, if there are common type debts that have occurred throughout each month the debt needs to be paid before it is approved in the interest of penalty fees then you authorize the executive director to make the payment consistent with the agreement and that the same must be approved by the Commission at the next regularly scheduled meeting so long as you are avoiding penalty or interest. You can expand that. Somebody from the public may say what if he spends this unbelievable amount of expenditure, #1 the credit card has a limit and #2 we are talking about regularly scheduled. If he did something that was completely wrong and paid it for himself we could still go after him to retrieve the money.

Tom – Is the credit card, Ed, a city credit card?

Ed – It is a Redevelopment credit card.

Tom – There are no personal items charged to that account. Ed – No

Tom - They do not have a specific policy related to the use of credit cards?

Ed-I can ask that question. This was related purely to how we play claims and stuff but I can ask if there is a credit card policy and find out.

Tom – Terry, do you know?

Terry – I don't know. The problem with the city is that this does not necessarily yours. The city meets every Tuesday and could pay a bill every week. That problem does not present itself as with you.

Ed – In the case of this particular credit card bill, it was due on the  $10^{th}$  of this month. With how we are having to do claims right now, that would not be able to be paid until the  $11^{th}$ . We would have incurred a late charge just because of when we had to meet. What will probably happen after this month is we will begin doing a docket of claims that the Commission signs at its meeting and then those checks will actually be processed the following Thursday. It will actually expedite the process significantly so in most cases it will not be an issue. We will actually be able to bring the bill before it has to be paid, it gets approved and gets paid but on those occasions as in September where we are going to have to meet on the  $8^{th}$  and not the  $1^{st}$ , we know that the payment would be late if we did not process it ahead of time.

Tom – Terry is that sufficient.

Terry – That would be sufficient and given the parameters of our credit cards, I would be surprised that the card issuer would not also agree to extend that three week period longer under these circumstances.

George - Bond payments, is there a scheduled payback? Ed – Yes. We have the scheduled payback, if we knew those ahead of time and approve that payment schedule then we could approve them. We kind of did when we issued the bonds and the contract.

Terry - I would consider that entire future repayment schedule that was published, I would consider it approved from the Commission.

Ed – In the case of those two, that bill I think was sent out on the 29<sup>th</sup> of November. We did not get it because we met that following Monday, we did not get until after the Commission met and then they were due by the end of December.

Ed – That gives me sufficient guidance.

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Tom – Issue is acceptance of the claims as submitted.

Motion to approve by Stenner, second by VanHorn – APPROVED.

#### Garage

Ed - Stu Johnson is here from FA Wilhelm. Ask him to come today so that you can ask him questions or give us a quick update on where we are with the project.

Stu – Started in September with clearing the site, October we put the foundations down, into November/first of December we started the structure. We are pouring #6 tomorrow if the weather cooperates. We plan on being done with all of the supportive work by mid February. By the end of this month we will have the mason start the brick subject to temperatures, ready for him to start.

Tom - Are you pretty happy with where you are in terms of schedule?

Stu – Based on our schedule that we originally distributed to the city, we are just bouncing back and forth a day here and there. So far we still have it set for May, sometimes it looks like mid May, sometimes it looks a little different. It is going really well.

Tom – Where the exterior materials, the brick and the metal mesh and so forth, any issues with receiving those materials on time?

Stu – I think we will be on track with that, as best I know right now. The elevator folks are going to be installing the elevator the first of March and by mid to late March we are scheduled for sidewalks, etc.

Tom – With the concrete pours that you have done to date, have you had to push any of those in terms of additives that would cause you to be concerned about quality of that concrete versus any other?

Stu – No, everything that we have placed so far first we tent and heat the decks. We keep them at 50 degrees and that is ASTM standard. We have a standard that we have to follow. With Patriot being there, they record everything that we do, we follow the ASTM standards. During the mix design process we used type 3 cement. They can heat the sand, keep it warm so that we get the right mix. We heat the deck, we tent around it to keep the heat in and that was the whole anxiousness of getting started so that we could get up off the ground because we can control it at that stage. If we are still on the ground and the ground freezes we cannot get underneath it to thaw it out. We have the means and methods to get there but it just not very practical. Where we are this time of year it gives us control.

Tom – Have you had any issues relative to property owners adjacent to the site?

Stu – No, everybody is great. Most of the atmosphere around the job site is pretty hospitable.

Commissioners – Thank you.

Tom – All of the comments that I have heard Stu have been extremely complimentary of Wilhelm and the way the site has been managed. Not only the level of activity on the site, but also the entrances and exits to the site, the streets have been kept surprisingly clean given the amount of traffic in and out of that site. It has all been very positive.

Ed – I actually heard a comment from one of your competitors, Hagerman Construction, that were very complimentary of how you are managing the site.

#### Signage/Public Display

Ed – Distributed copies. What we are contemplating developing so that we can have a display. I think everybody should have a smaller version of the copy. The intent is that we have something to be able to

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communicate to the community what is going on. I know there have been a lot of questions about what is happening at The Commons, so we wanted to develop something that we could put here at City Hall and over at the Visitors Center and even develop these in the form of banners and things like that which we could place on The Commons or on construction barriers so that we are able to communicate to the community here are all the things that are exciting and happening in the near future. The intent is that we move forward with that and we are working with Advantage One here in town to help us with all of those displays and Sharon Renfro has been very helpful in helping in that project. I wanted to let you know that is the direction we are headed. I think these stand 4-5 feet tall so they are striking, they are cylindrical so a little different than what you normally see and hopefully will draw some attention to it. Have to put the mural on there. I don't think they knew what the picture was they got that.

### Director's Report

Ed – Report in packet. Lot of things going on, would be happy to answer any questions. One thing that I added in my report is the draft of the annual report that we will be doing. I have to get some information from the Clerk Treasurer's office but it is in draft form, hopefully finish that up by the end of the week to be able to provide to the Mayor. Other things, a list of all the meeting dates and I will Email out to everybody but wanted to give you a hard copy of that. The other thing that we had Barnes and Thornburg do for us was identify all of the reporting obligations that we have as a Redevelopment Commission and the dates that they are due so that we have a template or calendar to follow so that we make sure that we are doing all of the things that we are supposed to be doing in a timely fashion.

#### **General Discussion**

Tom – We are sitting and waiting on some announcements that we are hoping will be made within the near term. One is the potential office development downtown on The Commons Mall block. I have heard nothing to suggest that it will not happen but we do not have a confirmation either. I think within the next week or 10 days we should know for sure. Tim Dora anticipates being involved in that project as well with the idea that the office complex and conference center and Candlewood Suites will be moving forward on the same time schedule. That would obviously a real impact on downtown. The indoor sports complex probably in the same position, every indication we get is positive. The only thing lacking at this point is some local investment that would push it over the top and we are confident that will happen too. Another thing on the sports complex, the outdoor complex really is picking up steam. There seems to be real interest in moving that ahead at a faster pace. Going back to a question George asked earlier about at what point have we deferred our ability do more projects because of abatements, because of the success that we have had so quickly we potentially do find ourselves in a position where we cannot take advantage of all of the opportunities placed in front of us because the Commission does not have the money itself and it is clear that from the major supporters of the downtown redevelopment effort, the Foundation's capacity is getting tapped out too. I would hate to think that we would be forced to make difficult decisions but we have a lot of good things going on.

Meeting adjourned 2:46 p.m.

Next meeting 2/4/2008